Participation of Foreign Equity in Mining

1685. SHRI INDER KUMAR GUJRAL : Will the Minister of MINES be pleased to state :

(a) whether Government have taken a decision regarding participation of foreign equity in mining; and

(b) whether it is a fact that Government is proposing to amend the MMRD Act for this propose thus raising foreign equity in this sector ?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI BALRAM SINGH YADAV) : (a) and (b) Mines & Minerals (Regulation and Development) Act as amended by the recent Ordinance permits grant of prospecting licences or mining leases to any company as defined in sub-section (1) of Section (3) of Companies Act, 1956. It does not stipulate any additional condition pertaining to foreign equity in such companies.

Gold Deposits in Andhra Pradesh

1686. SHRI P. UPENDRA : Will the Minister of MINES be pleased to state :

(a) whether new gold deposits have been found in Andhra Pradesh;

(b) if so, what are the details thereof; and

(c) what action has been taken for the mining of this precious metal ?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI BALRAM SINGH YADAV) : (a) and (b) Yes, Sir. As a result of survey carried out by Geological Survey of India (GSI) in Kothapalle block, Ramagiri-Penakacherla schist belt of Anantapur district, a reserve of 33,000 tonnes of gold ore with an average grade of 3.2 g/t of gold upto a vertical depth of 75m. has been established. Gold mineralisation over a strike length of 700m. with gold values ranging from 0.04 to 19.20 g/t in Donna block of Jonnagiri schist belt, Kurnool district and two zones of gold mineralisation over a cumulative strike length of 400m. with gold values ranging from 0.2 to 12.72 g/t in Kudithinappalle block of Chittoor district have been established. Further work is in progress.

(c) Mining is dependent on the assessment of economic viability of the deposit by the investor.

Effect of Liberalisation on Mining Industry

1687. SHRI TRILOKI NATH CHATURVEDI :
DR. MURLI MANOHAR JOSHI :

Will the Minister of MINES be pleased to state :

(a) whether it is a fact that several PSUs concerned with mining are faced with imminent closure because of liberalisation;

(b) whether it is also a fact that metal prices in international market are cheaper than the domestic market and if so, what is its effect on Hindustan Copper Ltd., Hindustan Zinc Ltd. and PSUs dealing with Aluminium; and

(c) what steps Government are taking to safeguard the interests of the Indian industry ?

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI BALRAM SINGH YADAV) : (a) and (b) The operations of the Central Public Sector Undertakings (PSUs) engaged in the production of copper, zinc, lead and aluminium were adversly affected during 1993-94 on account of fall in the international prices of these metals and lowering of customs duty. The PSUs are reviewing the scope and need to phase out the uneconomic mines. However, no mine has been closed by the PSUs on account of the liberalisation policy of the Government.

(c) To safeguard the interests of Indian industry the budget proposals for 1994-95 of Government include proposal for rationalisation of import duty structure, levy of countervailing duties, reduction on customs duty on capital imports etc. on non-ferrous metals. The PSUs are also revamping their operations and undertaking expansion of capacities, phasing out of uneconomic units, novative marketing strategy to maximise